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RUEHOT/AMEMBASSY OTTAWA PRIORITY 0193
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RUCNDT/USMISSION USUN NEW YORK PRIORITY 2431
RUEKJCS/SECDEF WASHDC PRIORITY
RHMFISS/CDR USPACOM HONOLULU HI PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 03 KATHMANDU 000402

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TAGS: [PREF](#) [PGOV](#) [PTER](#) [BT](#) [IN](#) [CA](#) [NP](#)
SUBJECT: CANADIAN AMBASSADOR PLEASED BY PROGRESS ON
BHUTANESE REFUGEES

REF: KATHMANDU 317

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Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d)

Summary

[11](#). (C) Canada's New Delhi-based Ambassador to Nepal David Malone told the Ambassador recently he was pleased to hear of Prime Minister Koirala's recent decision to approve third-country resettlement of Bhutanese refugees. He indicated that the Government of Canada had not yet decided how many refugees it might take, but he expected it would be around 10 percent of the U.S. number. Malone warned, however, that in order to make it politically possible for Canada to take any, senior Canadian politicians had to feel they were consulted on the process. The Canadian Ambassador expressed appreciation for the Ambassador's comments on political developments in Nepal and said they tracked with what he was hearing in New Delhi from Indian officials. He also promised to speak frankly to Maoist leaders about their need to end violence and intimidation.

New Canadian Ambassador Makes First Visit to Nepal

[12](#). (C) David Malone, a former Canadian Ambassador to the United Nations, who started his duties as High Commissioner in New Delhi in August 2006, and is accredited to Nepal and Bhutan, met with the Ambassador on February 15 during his first official visit to Kathmandu. He noted that he had been to Nepal privately 17 years earlier and had begun to take an interest in the country while in New York. Malone, who was accompanied by Canadian Counsellor and Consul Ed Doe, implied he had his hands full running Canada's largest foreign mission in the world. He remarked that the Government of Canada had few interests in Nepal, but that he was interested in the Bhutanese refugees as well as political developments. The Canadian Ambassador expressed his gratitude to the Nepali Foreign Ministry for allowing him to hold meetings during his visit even though he had not yet presented his credentials. Malone stated that he did not expect new Ambassadors to begin

presenting their credentials in Kathmandu until an interim government was formed with Maoist participation.

So the Nepalis Have Approved Resettlement, Eh?

13. (C) The Canadian Ambassador informed the Ambassador that he was hearing two different stories from Nepalis on a third-country resettlement program for Bhutanese refugees. Acting Foreign Secretary Basnet had told him that the Foreign Minister would need to make one more trip to Thimpu in an attempt to resolve the impasse with Bhutan over the refugees' future. That trip was on hold until the interim government was formed because the current Foreign Minister, KP Oli, had no guarantee he would keep his seat. On the other hand, Prime Minister Koirala's Foreign Policy Advisor, Dr. Suresh Chalise, had indicated that the Prime Minister had given resettlement a green light at a February 7 meeting with the Ambassador (reftel). To add to his confusion, Malone claimed that UN High Commissioner for Refugees (UNHCR) Country Representative Abraham Abraham did not seem to be in the loop -- although the Canadian Ambassador conceded he had not asked Abraham a point-blank question.

Resettlement Approved; U.S. Plans Detailed

14. (C) The Ambassador assured his Canadian counterpart that PM Koirala had indeed approved third-country resettlement of Bhutanese refugees. On that basis, the United States was moving ahead with planning for a resettlement program. The U.S. intention, the Ambassador said, was to issue a request for proposals to set up an overseas processing entity in Kathmandu to handle the program (Note: PRM posted this on February 13.). Our goal was for the first refugees to be

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processed by September 1. The Ambassador voiced his concern the Maoists might attempt to delay resettlement. Their goal was to keep the refugees in camps so they could be used to export the "revolution" to Bhutan. The Ambassador stated that he had shared the news of the PM's agreement and U.S. plans with the Core Group on February 9 and that he hoped to meet individually the week of February 19 with the Home and Foreign Ministers respectively to discuss the PM's decision and next steps. He added that he supported the idea of the Core Group then having a meeting as a group with the same ministers to discuss the modalities of a resettlement program.

Canada's Plans Not Yet Clear

15. (C) Ambassador Malone indicated he was pleased to hear the news of the PM's decision. He said that, based on his discussions with the former King of Bhutan, the Royal Government of Bhutan had no intention to take any refugees back. On resettlement, he remarked that senior Canadian officials had not focused on the issue yet. The lower levels of the bureaucracy were still haggling over the issue, but he thought that the Government of Canada would ultimately agree to a resettlement program. He could not give any exact numbers, but expected that it would be in the range of 10 percent of the U.S. figure (which corresponded to Canada's overall population relative to the U.S.). Malone, warned, however, that it was crucial that Canadian politicians be consulted before the U.S. announced a resettlement program. Politically, they needed to be able to say they were part of the decision making process to sell the program to the Canadian public. Otherwise, they might not be able to accept any. He suggested a demarche in capitals or in Washington at a senior level. He also advised the U.S. to work closely with the UNHCR in developing the resettlement program. The Ambassador assured his Canadian counterpart that the U.S. had every intention of working closely with UNHCR and with our Core Group partners, including Canada.

¶6. (C) At Ambassador Malone's request the Ambassador summarized the current political situation, including the role of the Maoists, the UN arms management process, the recent Madhesi unrest in the Terai, and the planned election. Malone indicated that the Ambassador's views generally tracked with what he was hearing from his Indian interlocutors in New Delhi. Malone agreed that it was almost impossible to imagine the Maoists going back to the jungle. Certainly, their friends among the Indian Communists would, he said, be extremely disappointed if the Maoists went back to fighting. The Canadian envoy noted that the Ministry of External Affairs held India's Ambassador to Nepal Shiv Shankar Mukherjee in high regard. The Ambassador pointed out that he worked very closely with his Indian counterpart. In closing, Ambassador Malone volunteered that he planned to raise the issue of continuing Maoist extortion and intimidation with senior Maoist leaders when he met them later in his visit to Nepal. He was well aware of a recent notorious case in Kathmandu where Maoists threatened to kill a Canadian computer company entrepreneur if he failed to provide funds to support their planned political rally.

Comment

¶7. (C) The Prime Minister's February 7 decision to permit us -- and by extension other countries -- to begin a refugee resettlement program for Bhutanese refugees has caught several of our Core Group partners flat-footed. They appear to have assumed the long-standing stalemate would continue. As Human Rights Watch recently noted in Congressional testimony, we need to move quickly while we have the opportunity to get a resettlement program set up. At the same time, we strongly support the request by Canada, and we suspect, by other partners as well, to ensure as much

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consultation as possible. A demarche request to Core Group capitals (and New Delhi) at a senior level would reinforce the work already being done in Geneva and here in Kathmandu to create a united front and collect additional promises of refugee resettlement numbers.
MORIARTY